

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Danvers Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: August 28, 2018

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY19 (since the amount under the prior schedule was maintained in FY19) and is acceptable under Chapter 32.

The schedule reflects a reduction in the investment return assumption from 7.75% to 7.50%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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SECTION 3 - CHAPTER 32 OF M.G.L. APPROPRIATIONS

Exhibit 3.2 - Forecast of Annual Appropriations

Fiscal Year Ending	Danvers Electric						All Others						Total Appropriation	Increase Over Prior Year
	Employer Normal Cost	Net 3(8)(c) Transfers	Amortization Payment of UAL	Total Employer Cost	Increase Over Prior Year	Unfunded Actuarial Accrued Liability	Employer Normal Cost	Net 3(8)(c) Transfers	Amortization Payment of UAL	Total Employer Cost	Increase Over Prior Year	Unfunded Actuarial Accrued Liability		
2019	\$455,520	\$52,692	\$487,758	\$995,970		\$4,602,401	\$1,508,749	\$369,262	\$4,427,608	\$6,305,619		\$75,613,735	\$7,301,589	
2020	474,879	52,692	548,077	1,075,648	8.00%	4,441,862	1,572,872	369,262	4,867,935	6,810,069	8.00%	76,694,124	7,885,717	8.00%
2021	495,061	52,692	613,946	1,161,699	8.00%	4,206,744	1,639,719	369,262	5,345,894	7,354,875	8.00%	77,399,000	8,516,574	8.00%
2022	516,101	52,692	685,841	1,254,634	8.00%	3,885,697	1,709,408	369,262	5,864,596	7,943,266	8.00%	77,661,185	9,197,900	8.00%
2023	538,036	52,692	764,278	1,355,006	8.00%	3,466,029	1,782,057	369,262	6,427,406	8,578,725	8.00%	77,405,233	9,933,731	8.00%
2024	560,902	52,692	798,555	1,412,149	4.22%	2,933,561	1,857,793	369,262	7,037,968	9,265,023	8.00%	76,546,549	10,677,172	7.50%
2025	584,741	52,692	830,497	1,467,930	3.95%	2,325,618	1,936,750	369,262	7,700,212	10,006,224	8.00%	74,990,420	11,474,154	7.50%
2026	609,591	52,692	863,716	1,525,999	3.96%	1,638,962	2,019,062	369,262	8,418,399	10,806,723	8.00%	72,630,952	12,332,722	7.50%
2027	635,498	52,692	898,265	1,586,455	3.96%	866,364	2,104,872	369,262	9,087,055	11,561,189	6.98%	69,349,892	13,147,644	6.60%
2028	662,508	52,692	-	715,200	-54.92%	-	2,194,329	369,262	9,450,537	12,014,128	3.92%	65,129,475	12,729,328	-3.20%
2029	690,665	52,692	-	743,357	3.94%	-	2,287,588	369,262	9,828,559	12,485,409	3.92%	60,215,661	13,228,766	3.90%
2030	720,018	52,692	-	772,710	3.95%	-	2,384,810	369,262	10,221,701	12,975,773	3.93%	54,541,369	13,748,483	3.90%
2031	750,619	52,692	-	803,311	3.96%	-	2,486,165	369,262	10,630,569	13,485,996	3.93%	48,033,886	14,289,307	3.90%
2032	782,521	52,692	-	835,213	3.97%	-	2,591,827	369,262	11,055,791	14,016,880	3.94%	40,614,419	14,852,093	3.90%
2033	815,778	52,692	-	868,470	3.98%	-	2,701,980	369,262	11,498,023	14,569,265	3.94%	32,197,612	15,437,735	3.90%
2034	850,448	52,692	-	903,140	3.99%	-	2,816,814	369,262	11,957,944	15,144,020	3.94%	22,691,029	16,047,160	3.90%
2035	886,593	52,692	-	939,285	4.00%	-	2,936,530	369,262	12,436,262	15,742,054	3.95%	11,994,596	16,681,339	4.00%
2036	924,273	52,692	-	976,965	4.01%	-	3,061,332	369,262	-	3,430,594	-78.21%	-	4,407,559	-73.60%
2037	963,554	52,692	-	1,016,246	4.02%	-	3,191,439	369,262	-	3,560,701	3.79%	-	4,576,947	3.80%
2038	1,004,505	52,692	-	1,057,197	4.03%	-	3,327,075	369,262	-	3,696,337	3.81%	-	4,753,534	3.90%
2039	1,047,197	52,692	-	1,099,889	4.04%	-	3,468,476	369,262	-	3,837,738	3.83%	-	4,937,627	3.90%
2040	1,091,702	52,692	-	1,144,394	4.05%	-	3,615,886	369,262	-	3,985,148	3.84%	-	5,129,542	3.90%

Danvers Contributory Retirement System
Actuarial Valuation as of January 1, 2018